



247 Broome Street

**OFFERING MEMORANDUM**

**Marcus & Millichap**  
NYM GROUP

# 247 Broome Street

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**Marcus & Millichap**  
NYM GROUP

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# 247 Broome Street

is being offered at

# \$6,800,000

## THE OFFERING

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Marcus & Millichap is pleased to exclusively offer 247 Broome Street, a 6-story, mixed-use rental building situated on the south side of Broome Street, between Orchard Street and Ludlow Street, in the heart of Manhattan's Lower East Side. The prewar property boasts approximately 8,704 square feet with 25' of frontage. The asset is built 25' X 76' and sits on a 25' x 87.5' lot (Block: 408; Lot: 13). The property is zoned C4-4A.

## THE OPPORTUNITY

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247 Broome Street Presents a Unique Investment Opportunity to Acquire a Meticulously-Maintained, Mixed-Use Property with Significant Free Market Upside Potential. Offered to the Market for Under \$800/Sf, the Asset Benefits From a Strong Existing Stream of Both Residential and Retail Income, and Features The Renown Wine Bar Retail Tenant, The Ten Bells. With All Free Market Units Fully Renovated With Condo Level Finish Quality, an Investor has the Ability to Capitalize on Immediate Free-Market Rental Upside Without Requirement For Further Capital Improvements.

### Unit Mix

The Property Consists of 21 Total Units, Including 20 Residential Apartments and 1 Ground-Floor Retail Space. Of the Residential Units, 8 Are Free-Market Apartments, While 12 Remain Rent-Stabilized. The Residential Layout is Composed of 20 Two-Bedroom Apartments, Making it Highly Desirable to the Neighborhood's Targeted Shared Tenant Base. The Retail Component is Occupied by The Ten Bells Wine Bar, a Long-Established and Well-Known Neighborhood Staple.

### Strong In-Place Retail with Immediate Free Market Rental Upside

The Property Benefits from Strong In-Place Retail Income With a Long-Term Tenant, The Ten Bells, Providing Stability to the Asset. The Ten Bells has Occupied the Space Since March of 2021 with a Lease Expiration of February, 2031. Additionally, The Retail Tenant has 3% Annual Increases, Pays for 100% of Their Own Water Consumption, and Is Responsible For 30% Of The Tax Increases Over The 2021/22 Base Year, Providing A Strong Hedge Against any Future Property Tax Increases. The Residential Component Presents Immediate Free-Market Rental Upside, as Current Market Conditions Support Higher Rents Without Requiring any Additional Renovations. With Condo-Level Finishes Already In Place, Future Rental Increases can be Achieved Naturally Through Lease Renewals, Positioning The Property as a High-Yielding Asset in One of the City's Most Desirable Rental Markets.

### Immaculately Maintained with Condo-Level Finishes

Since Acquisition, Ownership has Undertaken Significant Capital Improvements to Modernize and Enhance 247 Broome Street. Major Renovations Include a New Roof with New Parapets, New Apartment Doors, Upgraded Plumbing and Gas Lines, a New Boiler, A Restored Façade, a Newly Poured Basement Concrete Slab, and a Full Hallway and Lobby Renovation. Additionally, 8 Apartments Have Been Fully Renovated With High-End Finishes, Including Stainless Steel Appliances, Marble Countertops, Strip-Wood Flooring, and Modern Fixtures. These Improvements Ensure Minimal Future Capital Expenditures, Allowing for Strong, Consistent Cash Flow.

### Location & Transportation

Ideally Positioned in The Heart of The Lower East Side, 247 Broome Street is Surrounded by a Thriving Mix Of Restaurants, Nightlife, and Cultural Staples. The Neighborhood is Home to Renowned Dining Establishments Such as Katz's Delicatessen, Beauty & Essex, and Russ & Daughters, as well as Boutique Shopping and Entertainment Venues. The Property is within Walking Distance to Multiple Subway Lines, Including the F, M, J, And Z Trains, Offering Seamless Connectivity to The Rest of Manhattan. With its Blend of Historic Charm and Modern Vibrancy, The Lower East Side Continues to be One of New York City's Most Sought-After Residential Destinations, Ensuring Strong Long-Term Demand For Rental Properties.

An aerial, high-angle photograph of New York City, showing the dense urban grid, Central Park, and the Hudson River. The image is in grayscale and has a dark, moody atmosphere.

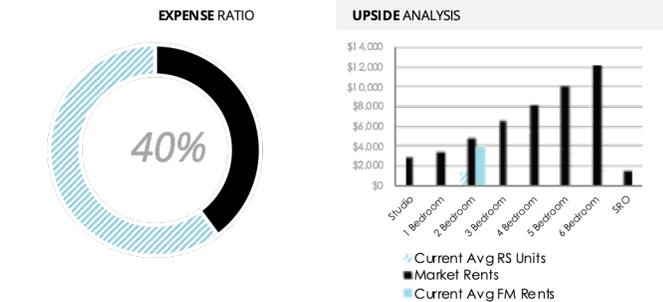
# FINANCIAL ANALYSIS

Marcus & Millichap  
NYM GROUP

[NEWYORKMULTIFAMILY.COM](http://NEWYORKMULTIFAMILY.COM)

# FINANCIAL OVERVIEW

OFFERING PRICE	<b>\$6,800,000</b>	\$/SF	\$781
		\$/UNIT	\$323,810
		TOTAL SF	8,704
		TOTAL UNITS	21
<b>40%</b>	RATIO OF FAIR MARKET UNITS	<b>CURRENT METRICS</b>	
<b>22%</b>	PROPERTY TAXES RATIO	CAP RATE	7.0%
<b>\$2,636</b>	PRO FORMA AVERAGE MONTHLY RENT	GRM	8.3
		<b>PRO FORMA METRICS</b>	
		CAP RATE	8.4%
		GRM	7.4
		CASH ON CASH	13.87%



<b>PROPOSED DEBT</b>	
Debt Service	(\$388,939)
Debt Coverage Ratio	1.23
Net Debt Cash Flow After Debt Service	\$180,278
Loan Amount	\$5,500,000
Interest Rate	5.75%
Amortization	30



	CURRENT	PRO FORMA
<b>INCOME</b>		
Gross Potential Residential Rent	\$538,596	\$632,723
Gross Potential Commercial Rent	\$271,270	\$279,408
Other Income	\$11,575	\$11,922
Gross Income	\$821,441	\$924,054
Vacancy/Collection Loss	(\$24,643)	(\$27,722)
Effective Gross Income	\$796,798	\$896,332
Average Residential Rent/Month/Unit	\$2,244	\$2,636

	Actual	Projected
<b>EXPENSES</b>		
Property Taxes <i>Tax Class: 2</i>	\$174,817	\$180,062
Dual Fuel	\$19,534	\$20,120
Insurance	\$27,300	\$28,119
Water and Sewer	\$34,432	\$35,465
Repairs and Maintenance	\$15,750	\$16,223
Common Electric	\$6,100	\$6,283
Super Salary	\$10,500	\$10,815
Management Fee	\$23,904	\$24,621
General Administration	\$5,250	\$5,408
Total Expenses	\$317,587	\$327,115
<b>Net Operating Income</b>	<b>\$479,211</b>	<b>\$569,218</b>

UNIT BREAKDOWN	% OF TOTAL	TOTAL	AVG. RENT
Total Units	--	21	\$3,214
Total RS Units	57%	12	\$1,191
Total RS - TE Units	0%	0	\$0
Total RC Units	0%	0	\$0
Total FM Units	38%	8	\$3,823
Total Commercial	5%	1	\$22,606

UNIT TYPE ANALYSIS	% OF TOTAL	TOTAL	AVG. RENT
Studio	0%	0	\$0
1 Bedroom	0%	0	\$0
2 Bedroom	100%	20	\$2,244
3 Bedroom	0%	0	\$0
4 Bedroom	0%	0	\$0
5 Bedroom	0%	0	\$0
6 Bedroom	0%	0	\$0
SRO	0%	0	\$0

## LISTING METRICS

<b>21</b> TOTAL UNITS	<b>8,704</b> TOTAL SQUARE FEET	<b>8.3</b> GRM	<b>B D F M J Z</b>
<b>\$781</b> PRICE / SF	<b>\$174,817</b> PROJECTED TAXES	<b>8.4%</b> PRO FORMA CAP RATE	
			<b>NEARBY TRANSPORTATION</b>

## RENT ROLL

## 247 Broome Street

## COMMERCIAL RENT

UNIT	TENANT NAME	REIMBURSEMENTS	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA	\$/PSF
Store 1	The Ten Bells		3% Annual Increases; Pays 30% Tax Increases over the 2021/2022 Base Year; Occupies 600 SF of Additional Basement Space	Mar-21	1,800	Feb-31	\$22,606	\$23,284	\$155
<b>MONTHLY COMMERCIAL REVENUE</b>					<b>1,800</b>		<b>\$22,606</b>	<b>\$23,284</b>	

## OTHER INCOME &amp; REIMBURSEMENTS

SPACE	TENANT NAME	NOTES	LEASE START	SF	EXPIRATION	ACTUAL	PRO FORMA
Store 1	The Ten Bells	RET Reimbursement	Mar-21		Feb-31	\$348	\$358
Store 1	The Ten Bells	Water & Sewer Reimbursement	Mar-21		Feb-31	\$617	\$635
<b>MONTHLY OTHER INCOME &amp; REIMBURSEMENTS REVENUE</b>						<b>\$965</b>	<b>\$994</b>

## RESIDENTIAL RENT

UNIT#	STATUS	NOTES	BEDROOMS	ROOMS	SF	EXPIRATION	ACTUAL	PRO FORMA
2A	FM		2 Bedroom	4		May-26	\$3,045	\$4,750
2B	FM		2 Bedroom	4		Jul-26	\$4,100	\$4,750
2C	RS		2 Bedroom	4		Jan-27	\$1,256	\$1,294
2D	FM		2 Bedroom	4		Jun-26	\$3,450	\$4,750
3A	RS		2 Bedroom	4		Oct-26	\$736	\$759
3B	FM		2 Bedroom	4		Jun-26	\$4,000	\$4,750
3C	RS	SCRIE (\$134.12)	2 Bedroom	4		Oct-26	\$1,289	\$1,327
3D	RS	SCRIE (\$545.79)	2 Bedroom	4		Oct-26	\$1,467	\$1,511
4A	RS		2 Bedroom	4		Oct-26	\$1,688	\$1,739
4B	RS	SCRIE (\$345.42)	2 Bedroom	4		Jul-26	\$1,418	\$1,460
4C	RS		2 Bedroom	4		Oct-26	\$1,174	\$1,209
4D	FM		2 Bedroom	4		Jul-26	\$3,495	\$4,750
5A	FM	New Lease Signed	2 Bedroom	4		Jun-26	\$4,300	\$4,750
5B	RS	Vacant Legal Rent Provided	2 Bedroom	4			\$653	\$673
5C	RS		2 Bedroom	4		Apr-27	\$1,443	\$1,486
5D	FM		2 Bedroom	4		Jun-26	\$3,900	\$4,750
6A	FM		2 Bedroom	4		Aug-26	\$4,295	\$4,750
6B	RS	SCRIE (\$298.21)	2 Bedroom	4		Oct-27	\$1,264	\$1,302
6C	RS	SCRIE (\$301.61)	2 Bedroom	4		Sep-27	\$832	\$856
6D	RS	SCRIE (\$913.32)	2 Bedroom	4		Oct-27	\$1,078	\$1,111
<b>MONTHLY RESIDENTIAL REVENUE</b>			<b>40</b>	<b>80</b>			<b>\$44,883</b>	<b>\$52,727</b>
<b>ANNUAL RESIDENTIAL REVENUE</b>							<b>\$538,596</b>	<b>\$632,723</b>
<b>ANNUAL COMMERCIAL REVENUE</b>							<b>\$271,270</b>	<b>\$279,408</b>
<b>ANNUAL OTHER INCOME REVENUE</b>							<b>\$11,575</b>	<b>\$11,922</b>
<b>TOTAL ANNUAL REVENUE</b>							<b>ACTUAL</b>	<b>PRO FORMA</b>
							<b>\$821,441</b>	<b>\$924,054</b>

## Notes

There are 21 total units.

There is currently 1 vacant unit in the building. The super lives off site.

# INCOME & EXPENSE ANALYSIS

## 247 Broome Street

### GROSS POTENTIAL INCOME

	ACTUAL			PRO FORMA		
		%EGI	\$/UNIT		%EGI	\$/UNIT
Gross Potential Residential Rent	\$538,596	66%	\$26,930	\$632,723	68%	\$31,636
Gross Potential Commercial Rent	\$271,270	33%	\$271,270	\$279,408	30%	\$279,408
Other Income <i>RET + Water Reimbursements</i>	\$11,575	1%	\$579	\$11,922	1%	\$596
Gross Income	\$821,441		\$39,116	\$924,054		\$44,003
<i>Vacancy/Collection Loss</i>	(\$24,643)	3%	(\$1,173)	(\$27,722)	3%	(\$1,320)
Effective Gross Income	\$796,798		\$37,943	\$896,332		\$42,682
<i>Average Residential Rent/Month/Unit</i>	\$2,244			\$2,636		

### EXPENSES

Property Taxes <i>Tax Class: 2</i>	<i>Actual</i>	\$174,817	22%	\$8,325	\$180,062	20%	\$8,574
Dual Fuel	<i>Actual</i>	\$19,534	2%	\$930	\$20,120	2%	\$958
Insurance	<i>Actual</i>	\$27,300	3%	\$1,300	\$28,119	3%	\$1,339
Water and Sewer	<i>Actual</i>	\$34,432	4%	\$1,640	\$35,465	4%	\$1,689
Repairs and Maintenance	<i>Projected</i>	\$15,750	2%	\$750	\$16,223	2%	\$773
Common Electric	<i>Actual</i>	\$6,100	0.8%	\$0.70	\$6,283	0.7%	\$0.72
Super Salary	<i>Projected</i>	\$10,500	1%	\$500	\$10,815	1%	\$515
Management Fee	<i>Projected</i>	\$23,904	3%	\$1,138	\$24,621	3%	\$1,172
General Administration	<i>Projected</i>	\$5,250	1%	\$250	\$5,408	1%	\$258
Total Expenses		\$317,587	40%	\$15,123	\$327,115	36%	\$15,577
<b>Net Operating Income</b>		<b>\$479,211</b>			<b>\$569,218</b>		

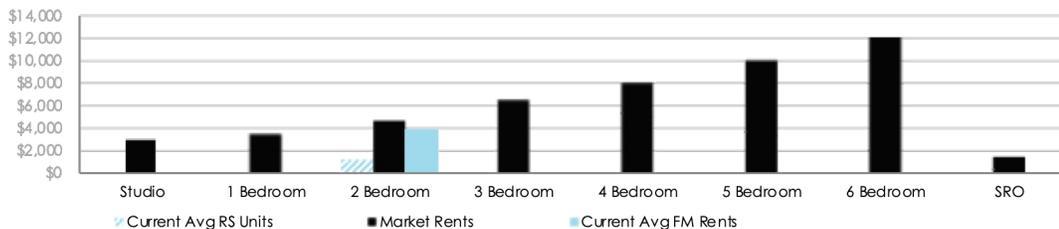
### LEASE STATUS MIX

UNIT BREAKDOWN	% OF TOTAL	RENT	TOTAL	AVG. RENT
Total Units	--	\$67,489	21	\$3,214
Total RS Units	57%	\$14,298	12	\$1,191
Total RS - TE Units	0%	\$0	0	\$0
Total RC Units	0%	\$0	0	\$0
Total FM Units	38%	\$30,585	8	\$3,823
Total Commercial	5%	\$22,606	1	\$22,606

### RENTAL ANALYSIS BY UNIT TYPE

TYPE	% OF TOTAL	RENT	TOTAL	AVG. RENT
Studio	0%	\$0	0	\$0
1 Bedroom	0%	\$0	0	\$0
2 Bedroom	100%	\$44,883	20	\$2,244
3 Bedroom	0%	\$0	0	\$0
4 Bedroom	0%	\$0	0	\$0
5 Bedroom	0%	\$0	0	\$0
6 Bedroom	0%	\$0	0	\$0
SRO	0%	\$0	0	\$0

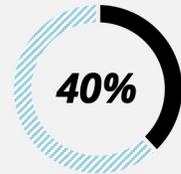
### UPSIDE ANALYSIS



AVERAGE RENT PER MONTH

**\$2,244**

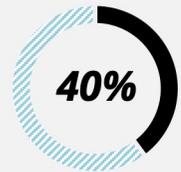
PERCENT FAIR MARKET



TAXES AS PERCENT OF EGI



EXPENSE RATIO



An aerial, high-angle photograph of New York City, showing the dense urban grid, Central Park, and the Hudson River. The image is in grayscale and has a dark, moody atmosphere. The text is overlaid on the left side of the image.

# PROPERTY DESCRIPTION

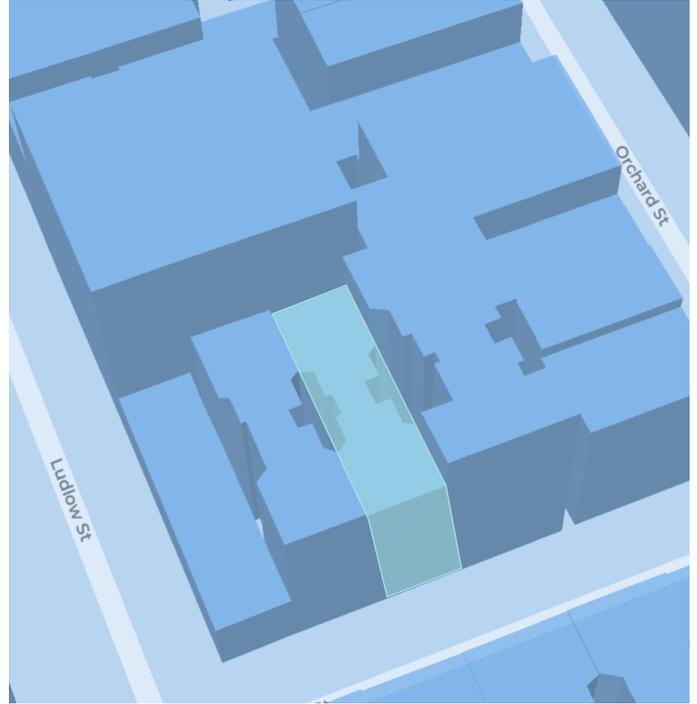
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# PROPERTY DESCRIPTION

## 247 Broome Street

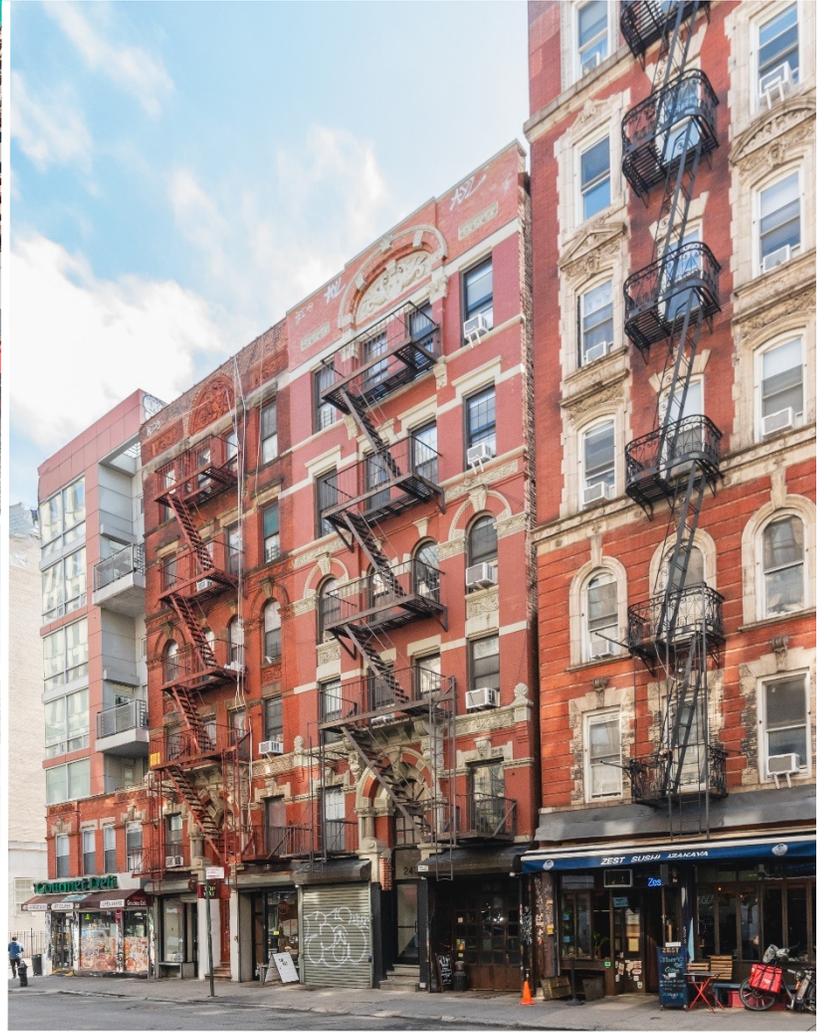
Neighborhood	Lower East Side
Borough	Manhattan
Block & Lot	408 / 13
Lot Dimensions	25' X 87.5'
Lot SF	2,187
Building Dimensions	25' X 76'
Approximate Building SF	8,695
Zoning	C4-4A
Max Far	4.00
Available Air Rights	53
Landmark District	None
Historic District	None
Annual Tax Bill	\$174,817
Tax Class	2



## TAX MAP



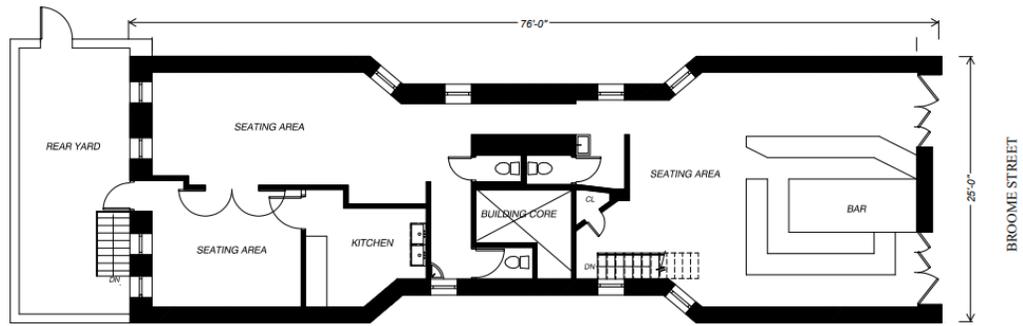
# PROPERTY PHOTOS – EXTERIORS



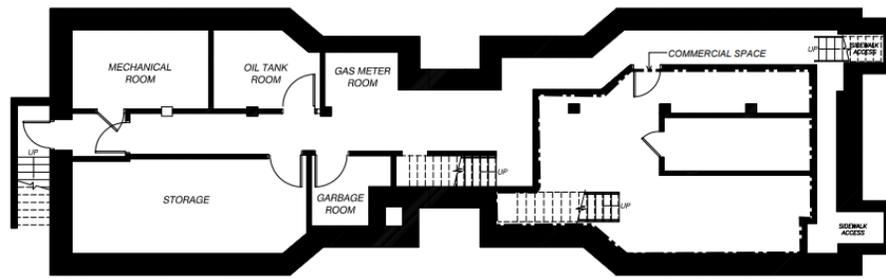
# PROPERTY PHOTOS – INTERIORS



# RETAIL FLOOR PLANS



GROUND FLOOR COMMERCIAL  
1,900 SF

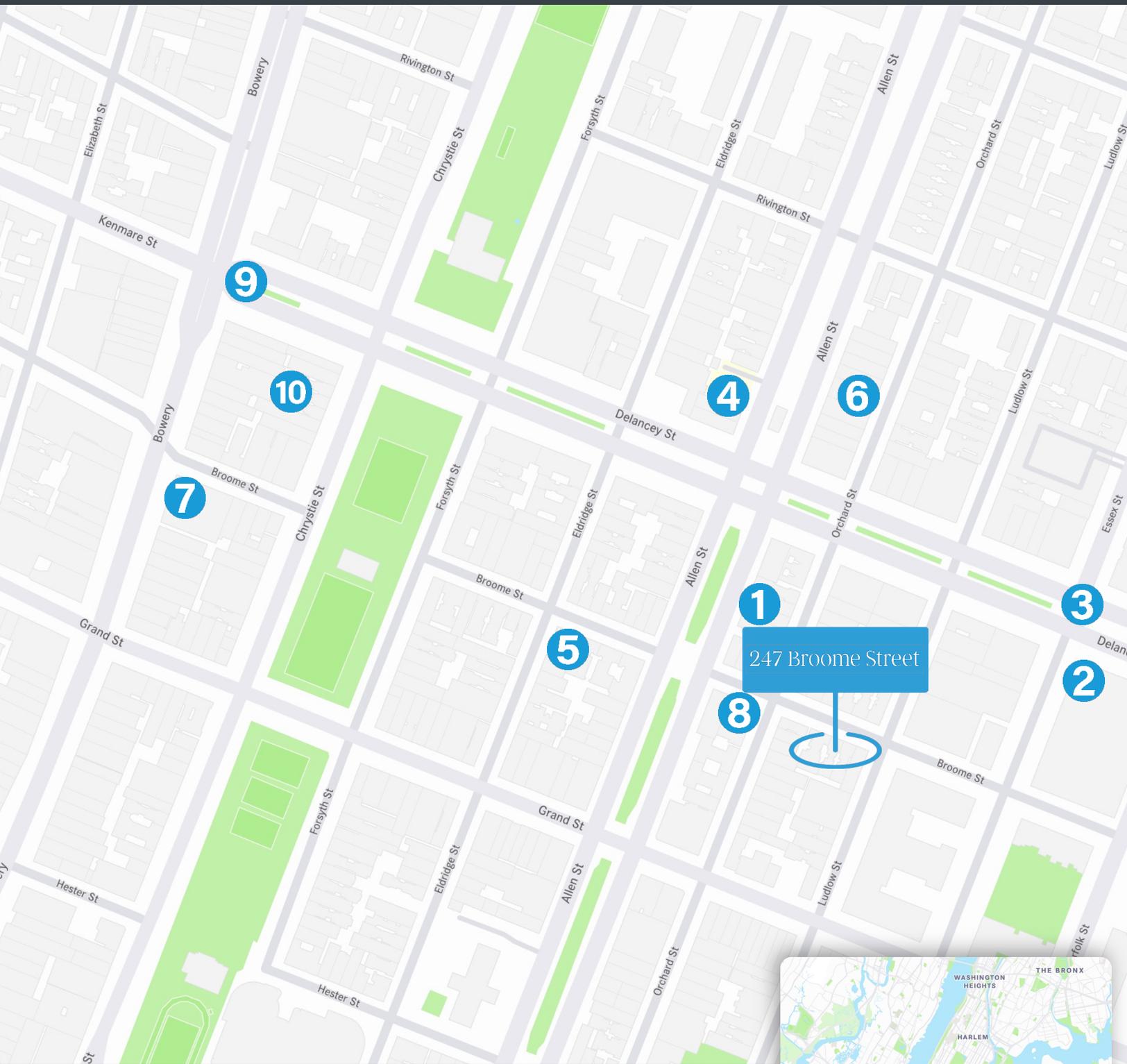


CELLAR COMMERCIAL  
420 SF



247 BROOME STREET  
6 STORIES = 11,400 SF + 1900 SF CELLAR

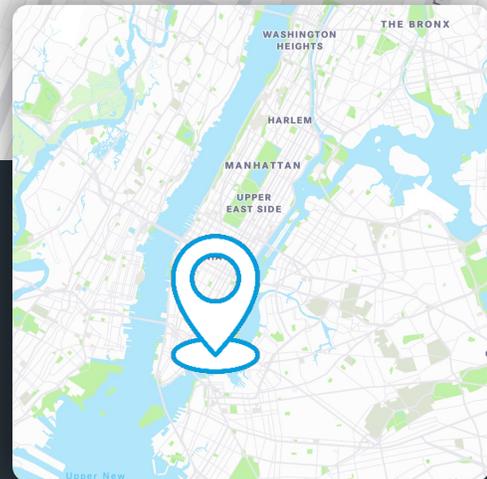
R.A. COHEN



247 Broome Street

- 1. Attaboy
- 2. Essex Market
- 3. Delancey Essex Street Subway Station
- 4. Double Chicken Please
- 5. Vanessa's Dumpling House

- 6. Russ & Daughter Cafe
- 7. Moxy NYC Lower East Side
- 8. Dudley's
- 9. Bowery Street Station
- 10. Potluck Club



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